## NATIONAL INTELLIGENCER.

## PRESIDENT'S MESSAGE.

The PRESIDENT of the United States yesterday transmitted the following Message to both Houses of Congress :

Fellow-citizens of the Senate and of the House of Representatives:

I congratulate you and our common constituency upon the favorable auspices under which you meet for your first session. Our country is at peace with all the world. The agitation which for a time threatened to disturb the fraternal relations which make us one people is fast subsiding; and a year of general prosperity and health has crowned the nation with unusual blessings. None can look back to the dangers which are passed, or forward to the bright prospect before us, without feeling a thrill of gratification, at the same time that he must be impressed with a grateful sense of our profound obligations to a beneacent Providence, whose paternal care is so manifest in the happiness of this highly favored land.

Since the close of the last Congress, certain Cubans and other foreigners resident in the United States, who were more or less concerned in the previous invasion of Cuba. instead of being discouraged by its failure, have again abused the hospitality of this country, by making it the scene of the equipment of another military expedition against that possession of her Catholic Majesty, in which they were countenanced, aided, and joined by citizens of the United States. On receiving intelligence that such designs were entertained, I lost no time in issuing such instructions to the proper officers of the United States as seemed to be called for by the occasion. By the proclamstion, a copy of which is herewith submitted, I also warned those who might be in danger of being inveigled into this scheme of its unlawful character, and of the penalties which they would incur. For some time there was reaany such attempt. This hope, however, proved to be de-Jusive. Very early in the morning of the third of August, a steamer called the Pampero departed from New Orleans for Cuba, having on board upwards of four hundred armed men, with evident intentions to make war upon the authorities of the island. This expedition was set on foot in palpable violation of the laws of the United States. Its lender was a Spaniard, and several of the chief officers, thorities of the island. This expedition was set on foot and some others engaged in it, were foreigners. The persons composing it, however, were mostly citizens of

Before the expedition set out, and probably before it was organized, a slight insurrectionary movement, which appears to have been soon suppressed, had taken place in the eastern quarter of Cuba. The importance of this movement was unfortunately so much exaggerated in the accounts of it published in this country, that these adventurers seem to have been led to believe that the Creole population of the island not only desired to throw off the authority of the mother country, but had resolved upon that step, and had begun a well-concerted enterprise for effecting it. The persons engaged in the expedition were generally young and ill-informed. The steamer in which they embarked left New Orleans stealthily and without a clearance. After touching at Key West, she proceeded to the coast of Cuba, and on the night between the 11th and 12th of August landed the persons on board at Playtas, within about twenty leagues of Havana.

The main body of them proceeded to, and took possession of, an inland village six lengues distant, leaving others to follow in charge of the baggage, as soon as the means of transportation could be obtained. The latter, having taken up their line of march to connect themselves with the main body, and having proceeded about four leagues into the country, were attacked on the morning of the 13th by a body of Spanish troops, and a bloody conflict ensued; after which they retreated to the place of disembarkation, where about fifty of them obtained boats and re-embarked therein. They were, however, intercepted among the keys near the shore by a Spanish steamer cruising on the coast, captured, and carried to Havana, and, after being examined before a military court, were sentenced to be publicly executed, and the sentence was carried into effect on the 16th of August.

On receiving information of what had occurred. Commodore Foxhall A. Parker was instructed to proceed in the steam-frigate Saranac to Havana, and inquire into the the Department of State of assurances by the French charges against the persons executed, the circumstances Government that, in the orders given to the French naval under which they were taken, and whatsoever referred to their trial and sentence. Copies of the instructions from

According to the record of the examination, the prisoners all admitted the offences charged against them, of being bostile invaders of the island. At the time of their trial and execution the main body of the invaders was still in the field, making war upon the Spanish authorities and Spanish subjects. After the lapse of some days, being overcome by the Spanish troops, they dispersed on the 24th of August; Lopez, their leader, was captured some days after, and executed on the 1st of September. Many of his remaining followers were killed, or died of hunger and fatigue, and the rest were made prisoners. Of these, none appear to have been tried or executed. Several of them were pardoned upon application of their friends and others, and the rest, about one hundred and sixty in number, were sent to Spain. Of the final disposition made of these we have no official information.

.Such is the melancholy result of this illegal and ill-fated expedition. Thus thoughtless young men have been induced, by false and fraudulent representations, to violate the law of their country, through rash and unfounded expectations of assisting to accomplish political revolutions in other States, and have lost their lives in the undertaking. Too severe a judgment can hardly be passed, by the indignant sense of the community, upon those who, being better informed themselves, have yet led away the ardor of youth and an ill-directed love of political liberty. The correspondence between this Government and that of Spain relating to this transaction is herewith communicated.

Although these offenders against the laws have forfeited Although these offenders against the laws have forfeited the protection of their country, yet the Government may, so far as is consistent with its obligations to other countries, and its fixed purpose to maintain and enforce the laws, entertain sympathy for their unoffending families and friends, as well as a feeling of compassion for themselves. Accordingly no proper effort has been spared, and now will be greated to recover the second server. and none will be spared, to procure the release of such citizens of the United States, engaged in this unlawful enterprise, as are now in confinement in Spain; but it is to be hoped that such interposition with the Government of that country may not be considered as affording any ground of expectation that the Government of the United States will hereafter feel itself under any obligation of duty to intercede for the liberation or pardon of such per-sons as are flagrant offenders against the law of nations and the laws of the United States. These laws must be executed. If we desire to maintain our respectability among the nations of the earth, it behooves us to enforce steadily and sternly the neutrality acts passed by Congress, and to follow, as far as may be, the violation of those acts with condign punishment.

But what gives a peculiar criminality to this invasion of

Cuba is, that under the lead of Spanish subjects, and with the aid of citizens of the United States, it had its origin, with many, in motives of cupidity. Money was advanced by individuals, probably in considerable amounts, to purchase Cuban bonds, as they have been called, issued by Lopez, sold, doubtless, at a very large discount, and for the payment of which the public lands and the public property of Cuba, of whatever kind, and the fiscal resources of the recomb and government. perty of Cuba, of whatever kind, and the fiscal resources of the people and government of that island, from what-ever source to be derived, were pledged, as well as the good faith of the Government expected to be established. All these means of payment, it is evident, were only to be obtained by a process of bloodshed, war, and revolution. None will deny that those who set on foot military expeditions against foreign States by means like these, are far more culpable than the ignorant and the necessitous whom they induce to go forth as the ostensible parties in the proceeding. These originators of the invasion of Cuba seem to have determined, with coolness and system, upon an undertaking which should disgrace their country, violate its laws, and put to hazard the lives of ill-informed and deluded men. You will consider whether further legislation be necessary to prevent the perpetration of such

offences in future No individuals have a right to hazard the peace of the country or to violate its laws upon vague notions of alter-ing or reforming Governments in other States. This principle is not only reasonable in itself, and in accordance with public law, but is engrafted into the codes of other nations as well as our own. But, while such are the sentiments of this Government, it may be added that every independent nation must be presumed to be able to defend its possessions against unauthorized individuals banded

from entering into controversies between other Powers, from entering into controversies between other Powers, and to observe all the duties of neutrality. At an early period of the Government, in the administration of Washington, several laws were passed for this purpose. The main provisions of these laws were re-enacted by the act of April, 1818, by which, amongst other things, it was declared that if any person shall, within the territory or jurisdiction of the United States, begin, or set on foot, or provide, or prepare the means for any military expedition or enterprise to be carried on from thence against the territory or dominion of any foreign Prince or State, or of any colony, district, or people with whom the United States are at peace, every person so offending shall be deemed guilty of a high misdemeanor, and shall be fined not exceeding three thousand dollars, and imprisoned not more than three years; and this law has been executed and enforced, to the full extent of the power of the Govern-

ment, from that day to this.

In proclaiming and adhering to the doctrine of neutrality and non-intervention, the United States have not folowed the lead of other civilized nations; they have taken the lead themselves, and have been followed by others. This was admitted by one of the most eminent of modern the lead themselves, and have been followed by others. This was admitted by one of the most eminent of modern British statesmen, who said in Parliament, while a minister of the crown, "that, if he wished for a guide in a system of neutrality, he should take that laid down by America in the days of Washington and the secretaryship of Jefferson;" and we see, in fact, that the act of Congress of 1818 was followed, the succeeding year, by an act of the Parliament of England substantially the same in its general provisions. Up to that time there had been no similar law in England, except certain highly penal statutes passed in the reign of George II, prohibiting English subjects from enlisting in foreign service, the avowed object of which statute was, that foreign armies, raised for the purpose of restoring the house of Stuart to the throne, should not be strengthened by recruits from England herself.

All must see that difficulties may arise in carrying the

All must see that difficulties may arise in carrying the all must see that directities may arise in carying the laws referred to into execution in a country now having three or four thousand miles of sea-coast, with an infinite num-ber of ports and harbors and small inlets, from some of which unlawful expeditions may suddenly set forth, without the knowledge of Government, against the possessions of foreign States.

Friendly relations with all, but entangling alliances

with none, has long been a maxim with us. Our true mission is not to propagate our opinions, or impost upon other countries our form of trovernment, by artifice or force; but to teach by example, and show by our success, moderation and justice, the blessings of self-government, and the advantages of free institutions. Let every people choose for itself, and make and alter its political institutions to suit its own condition and convenience. But, while we arow and maintain this neutral policy ourselves, we are anxious to see the same forbearance on the part of vernments, and the sympathy with which we witness every struggle against oppression, forbid that we should be indifferent to a case in which the strong arm of a foreign Power is invoked to stifle public sentiment and repress the

spirit of freedom in any country.

The Governments of Great Britain and France have isned orders to their naval commanders on the West India station to prevent by force, if necessary, the landing of adventurers from any nation on the Island of Cuba with nostile intent. The copy of a memorandum of conversation on this subject between the Chargé d'Affaires of her Britannic Majesty and the Acting Secretary of State, and of a subsequent note of the former to the Department of of a subsequent note of the former to the Department of State, are herewith submitted, together with a copy of a note of the Acting Secretary of State to the Minister of the French Republic, and of the reply of the latter on the same subject. These papers will acquaint you with the grounds of this interposition of the two leading commer-cial Powers of Europe, and with the apprehensions which this Government could not fail to entertain that such in this Government could not fail to entertain that such in-terposition, if carried into effect, might lead to abuses in derogation of the maritime rights of the United States. The maritime rights of the United States are founded on a firm, secure, and well-defined basis; they stand upon the ground of national independence and public law, and will be maintained in all their full and just extent.

The principle which this Government has heretofore soannounced it still adheres to, and will maintain under all circumstances and at all hazards. That principle is, that in every regularly documented merchant ves-sel, the crew who navigate it, and those on board of it, will find their protection in the flag which is over them. American ship can be allowed to be visited or searched for the purpose of ascertaining the character of individuals on board, nor can there be allowed any watch by the vessels of any foreign nation over American vessels on the coasts of the United States or the seas adjacent hereto. It will be seen by the last communication from the British Chargé d'Affaires to the Department of State that he is authorized to assure the Secretary of State that

In addition to the correspondence on this subject, herewith submissed, official information has been received at they might engage in, to respect the flag of the United States wherever it might appear, and to commit no act of the Department of State to him, and of his letters to that hostility upon any vessel or armament under its pro-

and agents of communication between us and those na-tions, and it is of the utmost importance that, while residing in the country, they should feel a perfect security so long as they faithfully discharge their respective duties and are guilty of no violation of our laws. This is the admitted law of nations, and no country has a deeper interest in maintaining it than the United States. mmerce spreads over every sea and visits every clime. and our ministers and consuls are appointed to protect the interests of that commerce, as well as to guard the peace of the country and maintain the honor of its flag. how can they discharge these duties unless they be them-selves protected? and, if protected, it must be by the laws of the country in which they reside. And what is due to our own public functionaries residing in foreign nations is exactly the measure of what is due to the functionaries of other Governments residing here. As in war, the bearers of flags of truce are sacred, or else wars would be interminable, so in peace, ambassadors, public ministers, and consuls charged with friendly national intercourse, are objects of especial respect and protection, each according to the rights belonging to his rank and station. In view of these important principles, it is with leep mortification and regret I announce to you that, during the excitement growing out of the executions at Havana, the office of her Catholic Majesty's consul at New Orleans was assailed by a mob, his property destroyed, the Spanish flag found in the office carried off and torn in pieces, and he himself induced to flee for his personal safety, which he supposed to be in danger. On receiving intelligence of these events, I forthwith directed the atterney of the United States residing at New Orleans to nquire into the facts and the extent of the pecuniary loss sustained by the consul, with the intention of laying them before you, that you might make provision for such indemnity to him as a just regard for the honor of the na-tion and the respect which is due to a friendly Power might, in your judgment, seem to require. The corre-spondence upon this subject between the Secretary of State and her Catholic Majesty's Minister Plenipotentiary s herewith transmitted.

The occurrence at New Orleans has led me to give my attention to the state of our laws in regard to foreign am-bassadors, ministers, and consuls. I think the legislation of the country is deficient in not providing sufficiently either for the protection or the punishment of consuls. I therefore recommend the subject to the consideration of

ongress.

Your attention is again invited to the question of reciprocal trade between the United States and Canada and other British possessions near our frontier. Overtures for a convention upon this subject have been received from her Britannic Majesty's Minister Plenipotentiary; but it seems to be in many respects preferable that the matter should be regulated by reciprocal legislation. Documents are laid before you showing the terms which the British Government is willing to offer, and the measures which it may adopt if some arrangement upon this subject

Shall not be made.

From the accompanying copy of a note from the British
Legation at Washington, and the reply of the Department
of State thereto, it will appear that her Britannic Majesty's Government is desirous that a part of the boundary line between Oregon and the British possessions should be authoritatively marked out, and that an intention was expressed to apply to Congress for an appropriation to de-fray the expense thereof on the part of the United States. Your attention to this subject is accordingly invited, and

a proper appropriation recommended.

A convention for the adjustment of claims of citizens of the United States against Portugal has been concluded, and the ratifications have been exchanged. The first in-stalment of the amount to be paid by Portugal fell due on

the 20th of September last, and has been paid.

The President of the French Republic, according to the provisions of the convention, has been selected as arbiter in the case of the General Armstrong, and has signified that he accepts the trust and the high satisfaction he feels a series are in actions. in acting as the common friend of two nations with which France is united by sentiments of sincere and lasting

amity.

The Turkish Government has expressed its thanks for its possessions against unauthorized individuals banded together to attack them. The Government of the United States, at all times since its establishment, has abstained and has sought to restrain the citizens of the country the Secretary of State to Mr. Marsh, the American Minis-

move to this country. On the 3d of March last both Houses of Congress passed a resolution requesting the President to authorize the employment of a public vessel to convey to this country Louis Kossuth and his associates in captivity.

instruction above referred to was complied with. and the Turkish Government having released Governor Kossuth and his companions from prison, on the 10th of September last they embarked on board of the United States steam frigate Mississippi, which was selected to carry into effect the resolution of Congress. Governor Kossuth left the Mississippi at Gibraltar, for the purpose of making a visit to England, and may shortly be expected in New York. By communications to the Department of State he has expressed his grateful acknowledgments for the interposition of this Government in behalf of himself and his associates. This country has been justly regarded as a safe asylum for those whom political events have exiled from their own homes in Europe; and it is reommended to Congress to consider in what manner Gov.

whale fishery, and by the consideration that they lie in the course of the great trade which must, at no distant day, be carried on between the western coast of North

America and Eastern Asia.

We were also influenced by a desire that those islauls should not pass under the control of any other great naritime State, but should remain in an independent confition, and so be accessible and useful to the commerce of all nations. I need not say that the importance of thes considerations has been greatly enhanced by the sudden and vast development which the interests of the United States have attained in California and Oregon; and the policy heretofore adopted in regard to those islands will be steadily pursued.

It is gratifying not only to those who consider the comamunity emerge from a savage state and attain such degree of civilization in those distant seas.

It is much to be deplored that the internal tranquillity of the Mexican Republic should again be seriously disturbed; for since the peace between that republy and the United States it had enjoyed such comparative prose that the most favorable anticipations for the future night with a degree of confidence have been indulged. These, however, have been thwarted by the recent outbresk in the State of Tamaulipas, on the right bank of the Rio Bravo. Having received information that persons rom the United States had taken part in the insurrection and apprehending that their example might be followed by others, I caused orders to be issued for the purpose of preventing any hostile expedition against Mexico fom being set on foot in violation of the laws of the Unted States. I likewise issued a proclamation upon the ubject; a copy of which is herewith laid before you. This

appeared to be rendered imperative by the obligations of treaties and the general duties of good neighborhood In my last annual, message I informed Congress that citizens of the United States had undertaken the comexon of the two oceans by means of a railroad acros the Isthmus of Tehuantepec, under a grant of the Merican Government to a citizen of that republic; and that this enterprise would probably be prosecuted with energy whenever Mexico should consent to such stipulations with the Government of the United States as should import a feeling of security to those who should invest their property in the enterprise.

A convention between the two Governments for the ac-

complishment of that end has been ratified by this Government, and only awaits the decision of the Congress and the Executive of that republic.

Some unexpected difficulties and delays have arisen in the ratification of that convention by Mexico; but it is to be presumed that her decision will be governed by just

The exports of specie to liquidate our foreign debt dure. and enlightened views, as well of the general important of the object as of her own interests and obligations. In negotiating upon this important subject, this Gor-ernment has had in view one, and only one, object. That object has been, and is, the construction or attainment of passage from ocean to ocean, the shortest and the best for travellers and merchandise, and equally open to all the world. It has sought to obtain no territorial acqui-Government itself has denounced as not being entitled to the protection of any Government, no interference shall take place with the lawful commerce of any nation.

Sition, nor any advantages peculiar to itself; and it would see with the greatest regret that Mexico should oppose any obstacle to the accomplishment of an enterprise which promises so much convenience to the whole commercial world, and such eminent advantages to Mexico herself Impressed with these sentiments and these convictions the Government will continue to exert all proper efforts to bring about the necessary arrangement with the Re-For some months past the Republic of Nicaragua has been the theatre of one of those civil convulsions, from which the cause of free institutions, and the general prosperity and social progress of the State of Central America, have so often and so severely suffered. Until quiet shall have been restored, and a Government apparently stable shall have been organized, no advance can prudently be made in disposing of the questions pending between the

two countries.

I am happy to announce that an inter-oceanic communication from the mouth of the St. John to the Pacific has been so far accomplished as that passengers have actually traversed it and merchandise has been transported over it; and when the canal shall have been completed, according to the original plan, the means of communication

will be further improved.

It is understood that a considerable part of the railroad across the Isthmus of Panama has been completed, and that the mail and passengers will in future be conveyed

may ultimately prove most eligible for travellers to and from the different States on the Atlantic and Gulf of Mexico and our coast on the Pacific, there is little reason to doubt that all of them will be useful to the public and will liberally reward that individual enterprise by which alone they have been or are expected to be carried into alone they

Peace has been concluded between the contending parties in the Island of St. Domingo, and it is hoped upon a durable basis. Such is the extent of our commercial relations with that island that the United States cannot fail

to feel a strong interest in its tranquillity.

The office of Commissioner to China remains unfilled several persons have been appointed, and the place has been offered to others, all of whom have declined its acceptance, on the ground of the inadequacy of the com-pensation. The annual allowance by law is six thousand pensation. The annual anomance by law is six declaration of dollars, and there is no provision for any outfit. I earnestly recommend the consideration of this subject to Congress. Our commerce with China is highly important, and is becoming more and more so, in consequence of the increasing intercourse between our ports on the Pacific coast and Eastern Asia. China is understood to be a country in which living is very expensive, and I know of no reason why the American Commissioner sent thither should not be placed, in regard to compensation, on an equal footing with Ministers who represent this country at the

courts of Europe.

By reference to the report of the Secretary of the Treasury it will be seen that the aggregate receipts for the last fiscal year amounted to \$52,312,979.87; which, with the balance in the Treasury on the 1st July, 1850, gave, as the available means for the year, the sum of \$58,017,524.28 \$58.917.524.36.

558,917,524.36.

The total expenditures for the same period were \$48,005,878.68.

In my last annual message, to which I respectfully refer, I stated briefly the reasons which induced me to recommend a modification of the present tariff, by convert-\$48,005,878.68.
The total imports for the year ending 30th of

on account of the public debt, exclusive of interest, have amounted to \$7,501,456.56; which, however, includes the on account of the public debt, exclusive of interest, have amounted to \$7,501,456.56; which, however, includes the sum of \$3,242,400 paid under the 12th article of the treaty with Mexico, and the further sum of \$2,591,213.45, being the amount of awards to American citizens under the late treaty with Mexico, for which the issue of stock the late treaty with Mexico, for which the issue of stock articles under the present system of advalored duties, and the custom-house valuations of the same articles under the present system of advalored duties, and the custom-house valuations of the same articles under the present system of advalored duties, and the custom-house valuations of the same articles under the present system of advalored duties. was authorized, but which was paid in cash from the

Treasury.

The public debt on the 20th ultimo, exclusive of the ock authorized to be issued to Texas by the act of 9th September, 1850, was \$62,560,895.26.

The receipts for the next fiscal year are estimated at \$51,800,000, which, with the probable unappropriated balance in the Treasury on the 30th June next, will give as the probable available means for that year the sum of

68 258 748 09 1t has been deemed proper, in view of the large exditures consequent upon the acquisition of territory m Mexico, that the estimates for the next fiscal year ald be laid before Congress in such manner as to disguish the expenditures so required from the otherwise

ordinary demands upon the Treasury.

The total expenditures for the next fiscal year are estimated at \$42,892,299.19, of which there is required for

ter at Constantinople, instructing him to ask of the Turkish
Government permission for the Hungarians, then imprisoned within the dominions of the Sublime Porte, to remove to this country. On the 3d of March last both

the ordinary purposes of the Government, other than consequent upon the acquisition of our new Territories, and deducting the payments on account of the move to this country. Suitable measures have been adopted for commencing subject; and the adoption of a tariff of fees which, as far poses connected directly or indirectly with those Territo-ries, and in the fulfilment of the obligations of the Government, contracted in consequence of their acquisition, the sum of \$9,549,101.11.

If the views of the Secretary of the Treasury in refer-nce to the expenditures required for these Territories shall be met by corresponding action on the part of Congress, and appropriations made in accordance therewith, there will be an estimated unapprepriated balance in the Treasury on the 30th June, 1858, of \$20,366,443.90, Treasury on the 30th June, wherewith to meet that portion of the public debt due on the first July following, amounting to \$6,287,931.35, as well as any appropriations which may be made beyond

In thus referring to the estimated expenditures on account of our newly-acquired Territories, I may express the hope that Congress will concur with me in the desire that a liberal course of policy may be pursued towards them, and that every obligation, express or implied, entered into in consequence of their acquisition, shall be fulfilled by the most liberal appropriations for that purpose

The values of our domestic exports for the last fiscal ear, as compared with those of the previous year, exhibit n increase of \$43,646,322. At first view this condition four trade with foreign nations would seem to present

fiscal year, as compared with the previous year, also exhibit a decrease amounting to \$460,917; which, with a decline in the values of the exports of tobacco for the same decline in the values of the exports of tobacco for the same the values of the exports of tobacco for the same decline in the values of the exports of tobacco for the same the values of the exports of

The policy which dictated a low rate of duties on foreign merchandise, it was thought by those who promoted and established it, would tend to benefit the farming popu-It is gratifying not only to those who consider the com-mercial interests of nations, but also to all who favor the progress of knowledge and the diffusion of religion, lo see The foregoing facts, however, seem to show incontestably

that no such result has followed the adoption of thi policy. On the contrary, notwithstanding the repeal of the restrictive corn laws in England, the foreign demand for the products of the American farmer has steadily declined, since the short crops and consequent famine in a portion of Europe have been happily replaced by full crops and comparative abundance of food.

It will be seen, by recurring to the commercial statistics for the past year, that the value of our domestic expectations are the statistics of the past year, that the value of our domestic expectations are the statistics for the past year.

ports has been increased in the single item of raw cotton by \$40,000,000 over the value of that export for the year preceding. This is not due to any increased general demand for that article, but to the short crop of the preceding year, which created an increased demand and an augmented price for the crop of last year. Should the cot-ton crop now going forward to market be only equal in quantity to that of the year preceding, and be sold at the present prices, then there would be a falling off in the value of our exports for the present fiscal year of at least

value of our exports for the present fiscal year of at least \$40,000,000, compared with the amount exported for the year ending 30th June, 1851.

The production of gold in California for the past year seems to promise a large supply of that metal from that quarter for some time to come. This large annual increase of the currency of the world must be attended with its usual results. These have been already partially disclosad in the aphaneement of prices and a rising spirit of ed in the enhancement of prices and a rising spirit of speculation and adventure, tending to overtrading, as well at home as abroad. Unless some salutary check shall be given to these tendencies, it is to be feared that importations of foreign goods beyond a healthy demand in this country will lead to a sudden drain of the precious metals from us, bringing with it, as it has done in former

ing the past fiscal year have been \$24,263,979 over the amount of specie imported. The exports of specie during the first quarter of the present fiscal year have been \$14,651,827. Should specie continue to be exported at this rate for the remaining three quarters of this year, it will drain from our metallic currency during the year ending 30th June, 1852, the enormous amount of

In the present prosperous condition of the nation finances, it will become the duty of Congress to consider the best mode of paying off the public debt. If the pre-sent and anticipated surplus in the Treasury should not he absorbed by appropriations of an extraordinary character, this surplus should be employed in such way and ander such restrictions as Congress may enact in extinguishing the outstanding debt of the nation.

'years, the interest payable half yearly at the Treasury of the United States."

In the same section of the law it is further provided "that no more than five millions of said stock shall be issued until the creditors of the State holding bonds and other certificates of stock of Texas, for which duties on imports were specially pledged, shall first file at the Treasury of the United States releases of all claims against the United States for or on account of said bonds or cer-tificates, in such form as shall be prescribed by the Se-cretary of the Treasury, and approved by the President

of the United States."

The form of release thus provided for has been prescribed by the Secretary of the Treasury and approved. It has been published in all the leading newspapers in the commercial cities of the United States, and all persons holding claims of the kind specified in the foregoing proviso were required to file their releases (in the form thus prescribed) in the Treasury of the United States on or before the 1st day of October, 1851. Although this publication has been continued from the 25th day of March,

1851, yet up to the 1st of October last comparatively few releases had been filed by the creditors of Texas.:

The authorities of the State of Texas, at the request of the Secretary of the Treasury, have furnished a schedule of the public debt of that State created prior to her admission into the Union, with a copy of the laws under which cache aleas were contented.

which each class was contracted.

I have, from the documents furnished by the State of Texas, determined the classes of claims which in my judgment fall within the provisions of the act of Congress of 9th of September, 1850.

On being officially informed of the acceptance by Texas of the propositions contained in the act referred to, I caused the stock to be prepared, and the five millions which are to be issued unconditionally, bearing an interest of five per cent. from the 1st day of January, 1851, have been for some time ready to be delivered to the State of Texas. The authorities of Texas, up to the present time, have not authorized any one to receive this stock,

ard it remains in the Trensury Department, subject to the order of Texas.

The releases required by law to be deposited in the Treasury not having been filed there, the remaining five millions have not been issued. This last amount of the stock will be withheld from Texas until the conditions upon which it is to be delivered shall be complied with by the resulting of that State unless Congress shall otherthe creditors of that State, unless Congress shall wise direct by a modification of the law.

tic products - - \$178,040,050
perign goods re-exported - \$7,738,695
pecie - - 29,231,880

Since the 1st of December last the payments in cash
secount of the public debt, exclusive of interest, have

upon the revenue, by false invoices and undervaluations, constitute an unanswerable reason for adopting specific instead of ad valorem duties in all cases where the nature of the commodity does not forbid it. A striking illustration of these frauds will be exhibited in the report of the Treasury, showing the custom-house va-

the survey of the public lands in California and Oregon.

Surveying parties have been organized, and some progress has been made in establishing the principal base and meridian lines. But further legislation and additional appropriations will be necessary before the proper subdivisions can be made, and the general land system extended over those remote parts of our territory. ed over those remote parts of our territory.

On the 3d of March last anact was passed providing for

On the 3d of March last anact was passed providing for the appointment of three commissions to settle private land claims in California. Three persons were immediate-ly appointed, all of whom, however, declined accepting the office, in consequence of the inadequacy of the com-pensation. Others were promptly selected, who, for the same reason, also declined; and it was not until late in the season that the services of suitable persons could be secured. A majority of the commissioners convened, in this city, on the 10th of September last, when detailed in-structions were given to them in regard to their duties. Their first meeting for the transaction of business will be held in San Francisco on the 8th day of the present month. I have thought it proper to refer to these facts, not only to explain the causes of the delay in filling the commission, but to call your attention to the propriety of ining the compensation of the commissioners. The office is one of great labor and responsibility, and the compensation should be such as to command men of high order of

of our trade with foreign nations would seem to present the most flattering hopes of its future prosperity. An examination of the details of our exports, however, will show that the increased value of our exports for the last fiscal year is to be found in the high price of cotton which prevailed during the first half of that year, which price has since declined about one-half.

The value of our exports of breadstuffs and provisions, which it was supposed the incentive of a low tariff and large importations from abroad would have greatly augmented, has fallen from \$68,701,921, in 1847, to \$25,051, 373 in 1850, and to \$21,948,653 in 1851, with a strong probability, amounting almost to a certainty, of a still further reduction in the current year.

The proper disposal of the mineral lands of California is a subject surrounded by great difficulties. In my last annual message I recommended the survey and sale of them in small parcels, under such restrictions as would effectually guard against monopoly and speculation. But upon further information, and in deference to the opinions of persons familiar with the subject. I am inclined to change that recommendation, and to advise that they be permitted to remain, as at present, a common field, open to the enceptive surrounded by great difficulties. In my last annual message I recommended the survey and sale of the Mississippi, and the value of the public lands in those regions would be greatly enhanced by freeing the in them in small parcels, under such restrictions as would effect all part of the Mississippi, and the value of the year of the Mississippi, and the value of the public lands annual message I recommended the survey and sale of the mississippi, and the value of the public lands in those regions would be greatly enhanced by freeing the in them in small parcels, under such restrictions as would effect all part of the Mississippi, and the value of the Mississippi, and the value of the most unquestionable integrity.

The proper disposal of the mineral lands of Ca

The agricultural lands should, however, be surveyed and brought into market with as little delay as possible, that the titles may become settled and the inhabitants stimulated to make permanent improvements and enter on the ordinary pursuits of life. To effect these objects it is desirable that the necessary provision be made by law for the establishment of land offices in California and Oregon, and for the efficient prosecution of the surveys at an early deat an early day.

Some difficulties have occurred in organizing the Terri-

torial Governments of New Mexico and Utah; and, when more accurate information shall be obtained of the causes, further communication will be made on that subject. In my last annual communication to Congress I re-ommended the establishment of an Agricultural Bureau, and I take this occasion again to invoke your favorable consideration of the subject.

Agriculture may justly be regarded as the great interest of our people. Four-fifths of our active population are employed in the cultivation of the soil, and the rapid expansion of our settlements over new territory is daily Justice and sound policy, therefore, alike require that the Government should use all the means authorized by the Constitution to promote the interests and welfare of that important class of our fellow-citizens. And yet it is a ngular fact that, whilst the manufacturing and commer cial interests have engaged the attention of Congress during a large portion of every session, and our statutes abound in provisions for their protection and encourage-ment, little has yet been done directly for the advancement of agriculture. It is time that this reproach to our legislation should be removed; and I sincerely hope that the present Congress will not close their labors without ng efficient means to supply the omissions of those

who have preceded them.

An Agricultural Bureau, charged with the duty of lecting and disseminating correct information as to the best modes of cultivation, and of the most effectual means of preserving and restoring the fertility of the soil, and of prouring and distributing seeds and plants and other vegetable productions, with instructions in regard to the soil, climate, and treatment best adapted to their growth, could not fail to be, in the language of Washington, in his last annual message to Congress, a "very cheap instrument of im-mense national benefit."

Regarding the act of Congress approved 28th September, 1850, granting bounty lands to persons who had been engaged in the military service of the country, as a great measure of national justice and munificence, an anxious desire has been felt, by the officers entrusted with its immediate execution, to give prompt effect to its provisions. All the means within their control were, therefore, brought into requisition to expedite the adjudication of claims, and I am gratified to be able to state that near one hundred thousand applications have been considered, and about seventy thousand warrants issued within the short space of sine months. If adequate provision be made by law to carry into effect the recommendations of the Department, it is confidently expected that, before the close

of the next fiscal year, all who are entitled to the benefits The Secretary of the Interior has suggested in his report various amendments of the laws relating to pensions and bounty lands, for the purpose of more effectually guarding against abuses and frauds on the Government, to all of which I invite your particular attention.

The large accessions to our Indian population, consequent upon the acquisition of New Mexico and California, and the extension of our settlements into Utah and Ore-

gon, have given increased interest and importance to our relations with the aboriginal race. No material change has taken place within the last year in the condition and prospects of the Indian tribes who reside in the Northwestern Territory and west of the "Mississippi river. We are at peace with all of them; and it will be a source of pleasure to you to learn that they are gradually advancing in civilization and the pursuits of

Along the Mexican frontier, and in California and Oregon, there have been occasional manifestations of unfriendly feeling, and some depredations committed. I am satisfied, however, that they resulted more from the desstates, however, that they resulted more than the des-titute and starving condition of the Indians than from any settled hostility toward the whites. As the settlements of our citizens progress towards them, the game upon which they mainly rely for subsistence is driven off or destroyed, and the only alternative left to them is starvadestroyed, and the only alternative left to them is starva-tion or plunder. It becomes us to consider, in view of this condition of things, whether justice and humanity, as well as an enlightened economy, do not require that, in-stend of seeking to punish them for offences which are the result of our own policy towards them, we should not pro-vide for their immediate wants and encourage them to engage in agriculture, and to rely on their labor, instead of the chase, for the means of support.

Various important treaties have been negotiated with different tribes during the year, by which their title to large and valuable tracts of country has been extinguished, all of which will at the proper time be submitted to the

Senate for ratification.

The joint commission under the treaty of Guadalupe Hidalgo has been actively engaged in running and marking the boundary line between the United States and Mexico. It was stated, in the last annual report of the Secretary of the Interior, that the initial point on the Pacific and the point of junction of the Gila with the Colorado river had been determined, and the intervening line, about one hundred and fifty miles in length, run and marked by temporary monuments. Since that time a monument of marble has been erected at the initial point, and permanent landmarks of iron have been placed at

suitable distances along the line.

The initial point on the Rio Grande has also been fixed by the commissioners at latitude 32° 22′, and at the date of the last communication the survey of the line had been made thence westward about one hundred and fifty miles to the neighborhood of the copper mines.

The commission on our part was at first organized on a

and commissioners in civil and criminal cases, is the cause of much vexation, injustice, and complaint. I would recommend a thorough revision of the laws on the whole subject, and the adoption of a tariff of fees which, as far as practicable, should be uniform, and prescribe a specific compensation for every service which the officer may be required to perform. This subject will be fully presented in the report of the Screetary of the Interior.

compensation for every service which the onicer may be required to perform. This subject will be fully presented in the report of the Sceretary of the Interior.

In my last annual message I gave briefly my reasons for believing that you possessed the constitutional power to improve the harbors of our great lakes and seacoast, and the navigation of our principal rivers, and recommended that appropriations should be made for completing such works as had already been commenced, and for commencing such others as might seem to the wisdom of Congress to be of public and general importance. Without repeating the reasons then urged, I deem it my duty again to call your attention to this important subject. The works on many of the harbors were left in an unfinished state, and consequently exposed to the action of the elements, which is fast destroying them. Great numbers of lives and vast amounts of property are annually lost for want of safe and convenient harbors on the lakes. None but those who have been exposed to that dangerous navigation can fully appreciate the importance of this subject. The whole Northwest appeals to you for relief, and I trust their appeal will receive due consideration at your hands.

The same is in a measure true in regard to some of the harbors and inlets on the seacost.

harbors and inlets on the seacost.

The unobstructed navigation of our large rivers is of

The survey of the Delta of the Mississippi, with a view to the prevention of the overflows that have proved so disastrous to that region of country, has been nearly completed, and the reports thereof are now in course of preparation, and will shortly be laid before you.

The protection of our southwestern frontier, and of the adjacent Mexican States, against the Indian tribes within our border, has claimed my earnest and constant attention. Congress having failed at the last session to adopt my recommendation that an additional regiment of mounted men specially adapted to that service should be raised, all that remained to be done was to make the best use of the means at my disposal. Accordingly, all the troops adapted to that service yethat could properly be spared from other quarters have been concentrated on that frontier, and officers of high reputation selected to command them. A new arrangement of the military posts has also been made, whereby ment of the military posts has also been made, whereby the troops are brought nearer to the Mexican frontier and

to the tribes they are intended to overawe. Sufficient time has not yet elapsed to realize all the benefits that are expected to result from these arrangements, but I have every reason to hope that they will effectually check their marauding expeditions. The nature of the country, which furnishes little for the support of an army

country, which furnishes little for the support of an army and abounds in places of refuge and concealment, is remarkably well adapted to this predatory warfare; and we can scarcely hope that any military force, combined with the greatest vigilance, can entirely suppress it.

By the treaty of Gaudalupe Hidalgo we are bound to protect the territory of Mexico against the incursions of the savage tribes within our border "with equal diligence and energy" as if the same were made within our territory or against our citizens. tory or against our citizens. I have endeavored to com-ply, as far as possible, with this provision of the treaty. Orders have been given to the officers commanding on that frontier to consider the Mexican territory and its inhabitants as equally with our own entitled to their protection; and to make all their plans and arrangemen with a view to the attainment of this object. Instructions have also been given to the Indian commissioners and agents among these tribes, in all treaties, to make the clauses designed for the protection of our own citizens apply also to those of Mexico. I have no reason to doubt that these instructions have been fully carried into effect. Nevertheless, it is probable that, in spite of all our efforts, some of the neighboring States of Mexico may have suffered, as our own have, from depredations by the In-

To the difficulties of defending our own territory, as above mentioned, are superadded, in defending that of Mexico, those that arise from its remoteness, from the fact that we have no right to station our troops within her limits, and that there is no efficient military force on the Mexican side to co-operate with our own. So long as this shall continue to be the case, the number and activity of our troops will rather increase than diminish the evil, as the Indians will naturally turn towards that country where they encounter the least resistance. Yet these troops are necessary to subdue them, and to compel them to make and observe treaties. Until this shall have been done, neither country will enjoy any security from their

The Indians in California, who had previously appeared of a peaceable character, and disposed to cultivate the friendship of the whites, have recently committed several acts of hostility. As a large portion of the reinforce-ments sent to the Mexican frontier were drawn from the Pacific, the military force now stationed there is con ed entirely inadequate to its defence. It cannot be in ed, however, without an increase of the army I again recommend that measure as indispensable to the protection of the frontier.

I invite your attention to the suggestions on this subject, and on others connected with his Department, in the report of the Secretary of War. The appropriations for the support of the army during the current fiscal year ending 30th June next, were re-duced far below the estimate submitted by the Depart-

ment. The consequence of this reduction is a considerable deficiency, to which I invite your early attention.

The expenditures of that Department, for the year ending 30th June last, were \$9,060,268 58. The estimates for the year commencing 1st July next and ending June 30, 1853, are \$7,898,775 83; showing a reduction of

The Board of Commissioners, to whom the management of the affairs of the Military Asylum created by the act of 3d March last was entrusted, have selected a site for the establishment of an asylum in the vicinity of this city, which has been approved by me, subject to the production of a satisfactory title.

The report of the Secretary of the Navy will exhibit the

The report of the Secretary of the Navy will exhibit the condition of the public service under the supervision of that Department. Our naval force afloat during the present year has been actively and usefully employed in giving protection to our widely-extended and increasing commerce and interests in the various quarters of the globe, and our flag has every where afforded the security and received the respect inspired by the justice and liberality of our intercourse, and the dignity and power of the nation.

rality of our intercourse, and the dignity and power of the nation.

The expedition commanded by Lieut. De Haven, dispatched in search of the British commander, Sir John. Franklin, and his companions in the Arctic seas, returned to New York in the month of October, after having undergone great peril and suffering from an unknown and dangerous navigation and the rigors of a northern elimate, without any satisfactory information of the objects of their search, but with new contributions to science and navignation from the unfrequented polar regions. The office is and men of the expedition, having been all volunteers for this service, and having so conducted it as to meet the entire approbation of the Government, it is suggested, as as nation of grace and generosity, that the same allowances of extra pay and emoluments be extended to them that were made to the officers and men of like rating in the late exploring expedition to the South seas.

expedition to the South seas.

I earnestly recommend to your attention the u eccessity of re-organizing the Naval Establishment, approximationing of re-organizing the Naval Establishment, apper rtioning and fixing the number of officers in each grade, I providing some mode of promotion to the higher grades of the navy, having reference to merit and capacity, rather than seniority or date of entry into the service, and I or retiring from the effective list upon reduced pay those who may be incompetent to the performance of active duty. As a measure of economy as well as of efficiency is this arm of the service, the provision last mentioned is examinately worthy of your consideration.

The determination of the questions of relative rank between the sea officers and civil officers of the navy, and between officers of the army and navy, in the various

in My lots almust message, to which I respectfully refer, I stated briefly the reasons which induced me to reto the modification of the present stariff, by convertcommon and the proposition of the present stariff, by convertcommon and the proposition of the present stariff, by convertcommon and the proposition of the present stariff, by convertcommon and the start of the common and the start of the
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